

As an insulation contractor that has been providing energy efficiency services in Massachusetts for over 23 years and has been an elected member of Best Practices for the Mass Save program for the last 2 years, we would like to make a comment regarding Mass Save based on our experience.

There are currently over 70 independent insulation contractors that are successfully participating in this program.

An email was written and circulated last week by a contractor that, according to the Mass Save website, is not on any list of approved and participating contractors for any utility in the Mass Save Program.

Here is an excerpt from the email that was issued by the above mentioned contractor:

“But we still have some work ahead to achieve the ultimate objective, which I believe is to have open and competitive markets for weatherization services. Home performance contractors and installers must become equal partners, with meaningful input into the design of programs, instead of being controlled and manipulated as disposable assets of the program managers. The utility monopoly of this industry is harmful to program participants, small business owners, and weatherization workers. The Investor Owned Utilities and Lead Vendors have benefitted tremendously from these programs at the expense of ratepayers and small business owners.”

Home Performance Contractors and Installers are being “Controlled and Manipulated” according to the above mentioned contractor.

Let’s go back in time:

The old electric & gas program was an “open and competitive market” with no fixed pricing and no accountability. That program ended with homeowners who were taken advantage of. Homeowners were charged outrageous prices by some second rate contractors who were supposed to do X, Y and Z but really only did X. These homeowners were left with poor work quality and incomplete projects. The contractors were paid at the door in full and the customers had to wait upwards of 4 months or longer for their rebates because contractors didn’t submit their paperwork in a timely manner. It seems that the elderly were an easy target as well. We know this first hand because we were called to repair and complete dozens of jobs that contractors were paid in full to complete but never did or did it poorly. Is this the kind of “open and competitive market” that the above mentioned contractors “believe we need?” It would appear that this program design clearly only benefitted the contractor.

The new program design is one that includes fixed pricing. It has eliminated the need for homeowners to endure the stressful task of getting numerous estimates and then trying to make an educated guess about who would be the best candidate based on price. As a long time participating contractor in this program, we know firsthand that our customers like fixed pricing and they like having that 75% instant rebate. That is what enticed them from the beginning. In this fixed pricing model, we are profitable and had another record year in 2012 working for Mass Save.

The new program design affords all contractors an opportunity to participate in the program if they so choose. The above mentioned contractor stated that this program is “a utility monopoly that is harmful to program participants, small business owners and weatherization workers”.

This is furthest from the truth. In fact, this program has given small businesses in our state an opportunity to grow and invest in a workforce. Contractors are being handed jobs without the pain of draining their bank accounts to advertise their services. This program has offered the highest level of training and certifications that they might not otherwise have access to. This program keeps contractors in the know. The above mentioned contractor stated in his presentation that “Angie’s List” is an example of a place homeowners can go to find a reputable contractor in an open market model. Mass Save has very stringent guidelines to operate in this program. Contractors need boot camps and other certifications as well as workers comp, general liability, commercial auto and an additional liability umbrella policy that is required. Mandatory back ground checks are also an important component and a requirement. **All of this is monitored by the Lead Vendors and PA’s.**

The new program is managed by various lead vendors, who **are absolutely vital** to the success of the Mass Save Program. These lead vendors oversee and manage the program to ensure the highest level of work quality and customer service and to ensure that program guidelines are being followed. Everyone is held accountable.

The above mentioned contractor stated in his presentation to the council that he believes the program ought to “Revert back to 10% random inspections; discipline or eliminate contractors with persistent quality issues”. How would we know which contractors have persistent quality issues if we are only inspecting 10% of jobs completed by Mass Save contractors? Any reputable contractor that participates in this program would welcome an inspection on every job. **This is another reason why the lead vendors are crucial to monitoring this program.**

The above mentioned contractor stated in his presentation to the council that “the new program design encourages contractors to violate the law” in regards to permits. It is the responsibility of the contractor to pull permits as needed. As a member of Best Practices, we collaborated with the utilities about the cost of pulling permits and they have offered the contractors a \$75 permit acquisition fee to offset that cost. This is hardly encouraging contractors to violate the law, quite the opposite actually.

This program is evolving and changing for the better every day. Best Practices is a place where contractors that actually participate in the program have joined forces with the PA’s and Lead Vendors to make positive change happen. It is only the contractors that are actually working in the program that have firsthand knowledge of the successes and/or issues and it’s those contractors that have the ability to bring those issues forward so improvements can be made.

I will end with these comments: The Mass Save Program is an equal opportunity program but not all insulation contractors are created equal. There are contractors that have more knowledge, expertise and many more years of experience than some. This gives them a competitive edge. There are contractors that just are not cut out for this business. It is hard work and not everyone is capable of producing the quality of work that Mass Save expects for its customers. For those of us that have

successfully worked in this industry for many years, we will continue to grow and thrive participating in this program. For those that cannot manage, they will always find a platform to complain.

Regards,

Patrick & Christine McEachern  
McEachern Insulation Inc.

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Old program no fixed pricing , problem, no acctounabitl, we were called by h omeowenrs

All contractors are eligible to participate. Equal opportunity not monopoly

No advertising to do. Pas great job with it even during slow times